

**SSB 6246 - S AMD 671**

By Senator Darneille

NOT ADOPTED 02/26/2016

1 On page 64, line 4, increase the General Fund--State FY 2017  
2 appropriation by \$43,611,000

3  
4 On page 64, line 6, increase the General Fund--Federal  
5 appropriation by \$32,168,000 and adjust the total appropriation  
6 accordingly.

7  
8 On page 70, after line 3, strike all of subsection (v), and insert  
9 the following:

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11 "(v) By April 1, 2016, the department must establish maximum  
12 levels for all reserves allowed under behavioral health organization  
13 contracts and must monitor and ensure that behavioral health  
14 organization reserves do not exceed maximum levels. The department  
15 must monitor behavioral health organization revenue and expenditure  
16 reports and must require a behavioral health organization to submit a  
17 corrective action plan when its reported reserves exceed maximum  
18 levels established under the contract. The department must review and  
19 approve such plans and monitor to ensure compliance. If the department  
20 determines that a behavioral health organization has failed to provide  
21 an adequate excess reserve corrective action plan or is not complying  
22 with an approved plan, the department must reduce payments to the  
23 behavioral health organization in accordance with remedial actions  
24 provisions included in the contract. These reductions in payments must  
25 continue until the department determines that the behavioral health  
26 organization has come into substantial compliance with an approved  
27 excess reserve corrective action plan."

1           Renumber the remaining sections consecutively and correct any  
2 internal references accordingly.

EFFECT: Instead of reducing funding for excess reserves in the Behavioral Health Organizations (BHO), the amendment requires the Department of Social and Health Services to monitor reserve levels of BHOs. BHOs must submit a corrective action plan when reserve levels exceed maximum contractual levels. Failure to submit or comply with a corrective action plan shall result in reduced payments to BHOs in accordance with contractual requirements.

FISCAL IMPACT:

FY 15-17:   \$43,611,000 NGF-S (\$75,779,000 Total Funds)  
Four-Year: \$ \$43,611,000 NGF-S (\$75,779,000 Total Funds)

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